

# Exhibit 1

## Part 1



KAHN AFFIRMATION

EXHIBIT 1

Aug. 1, 2006 Charter Party Contract



**Time Charter**

GOVERNMENT FORM

Approved by the New York Produce Exchange

November 6th, 1912 - Amended October 30th, 1921; August 6th, 1931; October 3rd, 1946

**SECOND ORIGINAL**

1. **This Charter Party**, made and concluded in **Lausanne**, ..... **1st day of August**, ..... **2006** to.....
2. Between **International Alliance Ltd.**.....
3. Owners of the good **St. Vincent Flag** ..... Steamship/Motorship **M/V "DIAMOND WARRIOR"**, - See Clause 30 of .....
4. of ..... tons gross register, and ..... tons net register, having engines of ..... indicated horse power
5. and with hull, machinery and equipment in a thoroughly efficient state, and classed .....
6. at ..... of about ..... cubic feet bale capacity, and about ..... tons of 2240 lbs.
7. deadweight capacity (cargo and bunkers, including fresh water and stores not exceeding one and one-half percent of ship's deadweight capacity,
8. allowing a minimum of fifty tons) on a draft of ..... feet ..... Summer freeboard, inclusive of permanent bunkers,
9. which are of the capacity of about ..... tons of fuel, and capable of steaming, fully-laden, under good weather
10. conditions about see Clause No. 30 upon a consumption of about ..... tons of best Welsh coal - best grade fuel oil - best grade Diesel oil,
11. now .....
12. and Messrs. **Source Link Shipping Co. Ltd.** as Charterers of the City of **British Virgin Islands**
13. **Witnesseth**, That the said Owners agree to let, and the said Charterers agree to hire the said vessel, from the time of delivery, for
14. about one time charter period of minimum 4 months to about 6 months (about is equal to 15 days) worldwide trading, always
15. afloat, within Institute Warranty Limits and via safe ports and following trade exclusions: - trading always ice free ports and ice free passages, and excluding the following countries: Norway / Finland / Denmark / Sweden / Canada / Cuba / Haiti / Orinoco / Trombetas / Argentina / Uruguay / Angola / Namibia / Congo / Sierra Leone / USA / Liberia / Nigeria / Algeria / Libya / Syria / Lebanon / Israel / Turkish occupied Cyprus / Turkey / Albania / Former Yugoslavia, except where no boycott or embargo in force / Mozambique / Somalia / Eritrea / Sudan / Ethiopia / Aqaba / Yemen / Kuwait / Oman / Iraq / Sri Lanka / Pakistan / Cambodia / Vietnam / North Korea / CIS Pacific / Alaska / New Zealand / War zones / War risks areas / Countries under UN boycott. Basic war risk to be for Owners' account. Extra war risk insurance premium including blocking and trapping also crew war bonuses to be for Charterers' account.
- Permissible cargoes: iron ore including concentrates, lumps, fines, pellets, excluding DR/DRIP/HBI/Sponge iron and always loaded within IMO / local rules / regulations / recommendations, within below mentioned trading limits.
16. Charterers do have liberty to sublet the vessel for all or any part of the time covered by this Charter, but Charterers remaining responsible for
17. the fulfillment of this Charter Party.
18. Vessel to be placed at the disposal of the Charterers, at on dropping last outward sea pilot Guangzhou in South China (where vessel
19. undergoes dry dock, special survey and steel enhancement), any time, day, night, Sundays and Holidays included.
20. in both dock or at such wharf or place where she may safely lie, always about or all times of tide, except as otherwise provided in clause No. 6), as
21. the Charterers may direct, if such dock, wharf or place be not available time to agent as provided for in clause No. 4. Vessel on her delivery to be
22. ready to receive cargo with clean swept holds and tight, staunch, strong and in every way fitted for the service, having water ballast, winches and
23. donkey boiler with sufficient steam power, or if not equipped with donkey boiler, then other power sufficient to run all the winches at one and the same (See Clause No. 30)
24. time (and with full complement of officers, seamen, engineers and firemen for a vessel of her tonnage), to be employed, in carrying lawful merchant
25. cargo, including petroleum or its products, in proper containers, excluding in bulk (see Clause No. 44) .....
26. (vessel is not to be employed in the carriage of Live Stock, but Charterers are to have the privilege of shipping a small number on deck at their risk,
27. all necessary fittings and other requirements to be for account of Charterers), in such lawful trades, between safe port and/or ports in British North
28. America, and/or United States of America, and/or West Indies, and/or Central America, and/or Caribbean Sea, and/or Gulf of Mexico, and/or
29. Mexico, and/or South America .....
30. and/or Africa, and/or Asia, and/or Australia, and/or Tasmania, and/or New Zealand, but excluding Magdalena River, River St. Lawrence between
31. October 1st and May 1st, Hudson Bay and all unsafe ports; also excluding, when out of season, White Sea, Black Sea and the Baltic,
32. .....
33. .....
34. .....
35. as the Charterers or their Agents shall direct, on the following conditions:
36. 1. That the Owners shall provide and pay for all provisions, wages and consular shipping and discharging fees of the Crew and all expenses of Officers and crew and also all consular fees necessitated because of vessel's flag or nationality, also expenses relating to Owners' / crew's matters; shall pay for the
37. insurance of the vessel, also for all the cabin, deck, engine room and other necessary stores, including boiler water, as well as lubricating oil and maintain her class and keep
38. the vessel in a thoroughly efficient state in hull, however it is understood that efficient state in hull does not include bottom fouling resulting from prolonged stay in port(s), anchorage(s) or idling under Charterers' agreements order(s), more than 30 days, machinery and equipment with inspection certificates necessary to comply with current international requirements at ports of calling and canals for and during the service.



2. That *whilst on hire* the Charterers shall provide and pay for all the fuel except as otherwise agreed, Port Charges, *compulsory and/or customary* Pilots, Agencies, Commissions, *Bontage only for Charterers' matters*

Consular Charges (except those pertaining to the Crew), and all other usual expenses except those before stated, but when the vessel puts into a port for causes for which vessel *are/is* responsible, then all such charges incurred shall be paid by the Owners. Fumigations ordered because of illness of the crew to be for Owners account. Fumigations ordered because of cargoes carried or ports visited while vessel is employed under this charter to be for Charterers account. All other fumigations ~~to be for Charterers account after vessel has been on charter for a continuous period of six months or more.~~

Charterers are to provide necessary dunnage and shifting boards, also any extra fittings requisite for a special trade or unusual cargo, but Owners to allow them the use of any dunnage and shifting boards already aboard vessel. Charterers to have the privilege of using shifting boards for dunnage, *they taking good any damage thereto.*

3. That the Charterers, at the port of delivery, and the Owners, at the port of re-delivery, shall take over and pay for all fuel remaining on board the vessel at the current prices in the respective ports, the vessel to be delivered with not less than ~~tons and not more than~~ (See Clause 55) ~~tons and to be re-delivered with not less than~~ ~~tons and not more than~~ tons.

4. That the Charterers shall pay for the use and hire of the said Vessel at the rate of *See Clause 38* United States Currency including overtime per ton on vessel's total deadweight carrying capacity, including bunkers and stores, on ~~summer freeseboard, per Calendar Month,~~ commencing on and from the day of her delivery, as aforesaid, and at and after the same rate for any part of a day month; hire to continue until the hour of the day of her re-delivery *commencement/termination of hire to be based on G.M.T. delivery/redelivery ports respectively* in like good order and condition, *with shovel cleaned holds,* ordinary wear and tear excepted, to the Owners (unless lost) *on dropping last outward sea pilot one safe port in China, port in Charterers' option,* any time, day, night, Sundays and Holidays included, unless otherwise mutually agreed. Charterers ~~are to give Owners not less than~~ (See Clause No. 31) days notice of vessel's expected date of re-delivery, and probable port.

5. Payment of said hire to be made to Owners bank - *see Clause No. 38* in New York in cash in United States Currency, semi-monthly every 15 days in advance, and for the last 15 days half-month or part of same the approximate amount of hire, and should same not cover the actual time, hire ~~is to be paid for the balance day-by-day, as it becomes~~ (See Clause No. 39)

due, if so required by Owners, unless bank guarantee or deposit is made by the Charterers, otherwise failing the punctual and regular payment of the hire, or bank guarantee, or on any breach of this Charter Party, the Owners shall be at liberty to withdraw the vessel from the service of the Charterers, without prejudice to any claim they (the Owners) may otherwise have on the Charterers. *Charterers to pay first hire and value of bunkers on delivery upon delivery.* Time to count from 7 a.m. on the working day following that on which written notice of readiness has been given to Charterers or their Agents before 4 p.m., but if required by Charterers, they to have the privilege of using vessel at once, such time used to count as hire.

Cash for vessel's ordinary disbursements at any port may be advanced as required by the Captain *and if Authorized by the Owners*, by the Charterers or their Agents, subject to 1 1/2% commission and such advances shall be deducted from the hire. (See Clause No. 39) The Charterers, however, shall in no way be responsible for the application of such advances.

6. That the cargo or cargoes be laden and/or discharged in any safe dock or at any safe wharf or safe place that Charterers or their Agents may direct, provided the vessel can safely lie always afloat at any time of tide, except at such places where it is customary for similar size vessels to safely lie aground. *NAABSA not to be allowed.*

7. That the whole reach of the Vessel's Hold, Decks, and usual places of loading (not more than she can reasonably stow and carry), also accommodations for Supercargo, if carried, shall be at the Charterers' disposal, reserving only proper and sufficient space for Ship's officers, crew, tackle, apparel, furniture, provisions, stores and fuel. Charterers ~~have the privilege of passengers as far as accommodations allow,~~ Charterers paying Owners ~~per day per passenger for accommodations and meals.~~ However, it is agreed that in case any fines or extra expenses are incurred in the consequences of the carriage of *supercargo* passengers, Charterers are to bear such risk and expense. *No passengers are allowed.*

8. That the Captain shall prosecute his voyages with the utmost despatch, and shall render all customary assistance with ship's crew and boats. The Captain (although appointed by the Owners), shall be under the orders and directions of the Charterers as regards employment and agency; and Charterers are to load, stow, and trim *and discharge* the cargo at their expense under the supervision of the Captain, who is to sign Bills of Lading for cargo as presented, in conformity with Mate's or Tally Clerk's receipts.

9. That if the Charterers shall have reason to be dissatisfied with the conduct of the Captain, Officers, or Engineers, the Owners shall on receiving particulars of the complaint, investigate the same; and, if necessary, make a change in the appointments. *This provision does not affect Charterers right to advance any claim or require arbitration under clause 17 of any dispute regarding the conduct of the Master in the prosecution of his voyage and carrying out the orders of the Charterers.*

10. That the Charterers shall have permission to appoint a Supercargo, who shall accompany the vessel and see that voyages are prosecuted with the utmost despatch. He is to be furnished with free accommodation, and same fare as provided for Captain's table, Charterers paying at the rate of \$10.00 per day. Owners to victual Pilots and Customs Officers, and also, when authorized by Charterers or their Agents, to victual Tally Clerks, Stevedore's Foreman, etc., Charterers paying *U.S.\$ 1,500 per month or pro rata at the current rate per meal, for all such victualling, covering all cable, communications, victualling, representation and entertainment.*

11. That the Charterers shall furnish the Captain from time to time with all requisite instructions and sailing directions, in writing, and the Captain shall keep a full and correct Log of the voyage or voyages, which are to be patent to the Charterers or their Agents, and furnish the Charterers, their Agents or Supercargo, when required, with a true copy of daily Logs, showing the course of the vessel and distance run and the consumption of fuel.

12. That the Captain shall use diligence in caring for the ventilation of the cargo.

13. That the Charterers shall have the option of concluding this charter for a further period of ~~days previous to the expiration of the first named term, or any declared option~~ ~~on giving written notice thereof to the Owners or their Agents~~



14. That if required by Charterers, time not to commence before 12th August, 2006, 00:01 and should vessel not have given written notice of readiness on or before 20th August, 2006, 24:00 but not later than 4 pm, Charterers or their Agents to have the option of cancelling this Charter at any time not later than the day of vessel's readiness.

15. That in the event of the loss of time from default and/or deficiency of men or stores, fire, breakdown or damages to hull, machinery or equipment, grounding, detention by average accidents to ship or cargo, drydocking for the purpose of examination or painting bottom, or by any other cause preventing the full working of the vessel, the payment of hire shall cease for the time thereby lost; and if upon the voyage the speed be reduced by defect in or breakdown of any part of her hull, machinery or equipment, the time so lost, and the cost of any extra fuel consumed in consequence thereof, and all extra direct expenses fully documented shall be deducted from the hire.

16. That should the Vessel be lost or cancelled as per Clause No. 43, money paid in advance and not earned (reckoning from the date of loss or being last heard of) shall be returned to the Charterers at once. The act of God, enemies, fire, restraint of Princes, Rulers and People, and all dangers and accidents of the Seas, Rivers, Machinery, Boilers and Steam Navigation, and errors of Navigation throughout this Charter Party, always mutually excepted.

The vessel shall have the liberty to sail with or without pilots, to tow and to be towed, to assist vessels in distress, and to deviate for the purpose of saving life and property.

17. That should any dispute arise between Owners and the Charterers, the matter in dispute shall be referred to three persons at New York in London, one to be appointed by each of the parties hereto, and the third by the two so chosen; their decision or that of any two of them, shall be final, and for the purpose of enforcing any award, this agreement may be made a rule of the Court. The Arbitrators shall be London Maritime Arbitrators commercial men.

18. That the Owners shall have a lien upon all cargoes, and all sub-freights and sub-hires for any amounts due under this Charter, including General Average contributions, and the Charterers to have a lien on the Ship for all monies paid in advance and not earned; and any overpaid hire or excess deposit to be returned at once. Charterers will not suffer, nor permit to be continued, any lien or encumbrance, incurred by them or their agents, which might have priority over the title and interest of the owners in the vessel.

19. That all deficits and salvage shall be for Owners' and Charterers' equal benefit after deducting Owners' and Charterers' expenses and Crew's proportion. General Average shall be adjusted, stated and settled, according to Rules 1 to 15 inclusive, 17 to 22 inclusive, and Rule F of York-Antwerp Rules 1974 or any amendments thereto at London, 1924, at such port or place in the United States as may be selected by the carrier, and as to matters not provided for by these

Rules, according to the laws and usages at the port of New York. In such adjustment disbursements in foreign currencies shall be exchanged into United States money at the rate prevailing on the date made and allowances for damage to cargo claimed in foreign currency shall be converted at the rate prevailing on the last day of discharge at the port or place of final discharge of such damaged cargo from the ship. Average agreement or bond and such additional security, as may be required by the carrier, must be furnished before delivery of the goods. Such cash deposit as the carrier or his agents may deem sufficient as additional security for the contribution of the goods and for any salvage and special charges thereon, shall, if required, be made by the goods, shippers, consignees or owners of the goods to the carrier before delivery. Such deposit shall, at the option of the carrier, be payable in United States money and be remitted to the adjuster. When so remitted the deposit shall be held in a special account at the place of adjustment in the name of the adjuster pending settlement of the General Average and refunds or credit balances, if any, shall be paid in United States money.

In the event of collision, danger, damage, or disaster, before or after commencement of the voyage resulting from any cause whatsoever, whether due to negligence or not, for which, or for the consequence of which the carrier is not responsible, by statute, contract, or otherwise, the goods, the shipper and the consignee jointly and severally, shall contribute with the carrier in general average to the payment of any sacrifice, losses, or expenses of a general average nature that may be made or incurred, and shall pay salvage and special charges incurred in respect of the goods. If a salvage ship is owned or operated by the carrier, salvage shall be paid for as fully and in the same manner as if such salvage ship or ships belonged to strangers. See New Jason Clause, Clause No. 52. Hire not to contribute to General Average.

Provisions as to General Average in accordance with the above are to be included in all bills of lading issued hereunder.

20. Fuel used by the vessel while off hire, also for cooking, condensing water, or for grates and stoves to be agreed to as to quantity, and the cost of replacing same, to be allowed by Owners.

21. That as the vessel may be from time to time employed in tropical waters during the term of this Charter, vessel is to be docked at a convenient place, bottom cleaned and painted whenever Charterers and Captain think necessary, at least once in every six months, reckoning from time of first painting, and payment of the hire to be suspended until she is again in proper state for the service.

22. Owners shall maintain the gear of the ship as fitted, providing gear (for all derricks) capable of handling lifts up to three tons, also providing ropes, falls, slings and blocks. If vessel is fitted with derricks capable of handling heavier lifts, Owners are to provide necessary gear for same, otherwise equipment and gear for heavier lifts shall be for Charterers' account. Owners also to provide on the vessel sufficient light lanterns and oil for night work, and vessel to give use of electric light when so fitted, but any additional lights over those on board to be at Charterers' expense. The Charterers to have the use of any gear on board the vessel.

23. Vessel to work night and day, if required by Charterers, and all winches to be at Charterers' disposal during loading and discharging; steamer to provide and winchmen per hatch to work winches day and night, as required, Charterers agreeing to pay officers, engineers, winchmen, deck hands and dunnage men for overtime work done in accordance with the working hours and rates stated in the ship's articles. If the rules of the port or labor unions prevent crew from driving winches, shore winchmen to be paid by Charterers. In the event of a disabled winch or winches, or insufficient power to operate winches, Owners to pay for spare engine, or engines, in use thereof, if required, and pay any loss of time occasioned thereby.

24. It is also mutually agreed that this Charter is subject to all the terms and provisions of and all the exemptions from liability contained in the Act of Congress of the United States approved on the 13th day of February, 1893, and entitled "An Act relating to Navigation of Vessels; etc.," in respect of all cargo shipped under this charter to or from the United States of America. It is further subject to the following clauses, both of which are to be included in all bills of lading issued hereunder:

#### U. S. A. Clause Paramount - See Clause No. 52

This bill of lading shall have effect subject to the provisions of the Carriage of Goods by Sea Act of the United States, approved April 16, 1924, which shall be deemed to be incorporated herein, and nothing herein contained shall be deemed a surrender by the carrier of any of its rights or immunities or an increase of any of its responsibilities or liabilities under said Act. If any term of this bill of lading be repugnant to said Act to any extent, such term shall be void to that extent, but no further.

#### Both to Blame Collision Clause

If the ship comes into collision with another ship as a result of the negligence of the other ship and any cox, neglect or default of the Master, mariner, pilot or the servants of the Carrier in the navigation or in the management of the ship, the owners of the goods carried



163 hereunder will indemnify the Carrier against all loss or liability to the other or non-carrying ship or her owners in so far as such loss  
 164 or liability represents loss of or damage to, or any claim whatsoever of the owners of said goods, paid or payable by the other or non-  
 165 carrying ship or her owners to the owners of said goods and set off, recouped or recovered by the other or non-carrying ship or her  
 166 owners as part of their claim against the carrying ship or carrier.  
 167 25. The vessel shall not be required to enter any ice-bound port, or any port where lights or light-ships have been or are about to be with-  
 168 drawn by reason of ice, or where there is risk that in the ordinary course of things the vessel will not be able on account of ice to safely enter the  
 169 port or to get out after having completed loading or discharging. *Vessel shall not be required to force ice nor be required to follow ice  
 breakers.*  
 170 26. Nothing herein stated is to be construed as a demise of the vessel to the Time Charterers. The owners to remain responsible for the  
 171 navigation of the vessel, *acts of pilots and tugboats*, insurance, crew, and all other matters, same as when trading for their own account.  
 172 27. A commission of ~~2.42~~ 1.25 per cent is payable by the Vessel and Owners to  
 173 *Messrs. Ifchor Capes S.A., Lausanne*  
 174 on hire earned and paid under this Charter, and also upon any continuation or extension of this Charter.  
 175 28. An address commission of ~~3.75~~ 2.42 per cent payable to *the Charterers* on the hire earned and paid under this Charter.

*Additional Clauses Nos. 29 to 89, as attached, are hereby made part of the Charter Party.*

*The Owners:*

*The Charterers:*

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SECOND ORIGINAL

ADDITIONAL CLAUSES TO THE CHARTER PARTY  
M/V "DIAMOND WARRIOR"  
DATED 1ST AUGUST, 2006 IN LAUSANNE

Clause 29

Owners and Charterers Full Style

HEAD OWNERS: INTERNATIONAL ALLIANCE LTD.  
MANAGERS: POLEMBROS SHIPPING LIMITED  
89 AKTI MIAOULI STREET  
PIRAEUS 18538  
GREECE  
TEL: 210.4580300  
FAX: 210.4291030  
EMAIL: POLEMBROS(AT)OTENET.GR

CHARTERERS: SOURCE LINK SHIPPING CO., LTD. BVI  
15D DEJI MASON, 188 CHANGJIANG ROAD, NANJING, PR CHINA  
TEL: +86 25 86816500 (REP)  
FAX: +86 25 86816522  
EMAIL: chartering@sourcelink.cn

Clause 30

Vessel's Description

M/V "DIAMOND WARRIOR"

Single decker, self trimming, ore carrier  
Flag St Vincent  
Built December 1984

all details abouts:-

197091 metric tons dead weight on 17.831 meters summer salt water

TPC: 136.70t

132284.2 cubic meters grain

cubic breakdown:-

No 1)	19438.70 cubic meters
No 2)	22503.00 cubic meters
No 3)	45875.70 cubic meters
No 4)	22503.00 cubic meters
No 5)	21963.80 cubic meters

5 holds / 6 hatches

Hatch sizes:-

No 1) 12.60 meters fwd - 15.80 meters aft width x 29.70 meters length

Nos 2-6) 15.80 meters width x 22.88 meters length

About 12 knots laden / about 13 knots ballast on about 50 long tons IFO 380 + about 2 long tons diesel oil.



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Maximum Beaufort 4 and Douglas Sea State 3 at sea in good weather / smooth sea upto and including Beaufort Force 4 / Douglas Sea State 3 with no adverse current/no swell

Port consumption: about 3 long tons IFO + 3 long tons diesel oil

Vessels burns diesel oil when manoeuvring in / out ports, rivers, canals / confined waterways etc.

Each ballast/deballast operation: about 6 long tons IFO + about 6 long tons diesel oil

Bunker Qualities: ISO 8217 (1987) / BSMA 100(1989)

Fuel RMG 35 / DOIL DMB

Distance from vessels side to far side of hold: 32.90 meters

WLTHC in heavy ballast: 14.5 meters in heavy ballast

distance KTHC: 26.80 meters

Bunker capacities: about 4000 t IFO / about 280 t diesel oil

GT: 97183t / NT: 40879t

LOA: 300 meters / Beam: 50 meters

Class: Highest NKK

Communications: Call Sign J8XU4 / Phone 00870762827934 / TLX 437539610 DIWA

Owners guarantee vessel is suitable for shipment of Iron Ore ex Brazil to China,

- Owners guarantee that vessel is classed LLOYDS 100AI LMC or equivalent and will remain so throughout the duration of this Charter Party.

- The BIMCO standard ISM Clause to be used.

- Owners agree with BIMCO Y2 Clause.

- Owners guarantee vessel will not to be sold/scraped/drydock during this C/P time.

- Owners guarantee vessel is not black listed by C/P trading countries due to vessel's flag / ownership / operators /age whatsoever and with ITF in order.

- Owners guarantee that vessel's hatch covers are to be watertight all throughout this Charter Period and if any hatch cover found defective, same to be rectified at Owners' time and expenses to independent surveyor's satisfaction.

- Owners guarantee that Vessel's holds on delivery to be clean, swept and washed down and dried up so as to receive Charterers intended cargo in all respects, free of salt, loose rust scales and previous cargo residue to surveyor's satisfaction. If the vessel fails to pass any hold inspection, the whole vessel should be place off hire from the time of rejection until the vessel passes the same inspection again and any directly related expenses incurred thereby to be for Owners' account.

Clause 31

Charterers to Appoint and pay for the surveyor to conduct the on/off hire surveys. Should surveys interfere with loading/discharging operations then any actual time lost, if any, to be equally shared between Owners and Charterers. Surveys' cost to be equally shared between both parties.



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Clause 32

Owners to guarantee vessel's Master to give on fixing and 7 days approximate delivery notice followed by 5/3/2/1 days definite delivery notice, Charterers to give Owners 25/15/10/7/5/3/2/1 days redelivery notices together with intended redelivery port.

Clause 33

Owners to supply valid fumigation and/or deratisation certificate on vessel's delivery and if these do not cover the whole period of this Charter Party, costs of fumigation in case fumigation is needed shall be for Owners' account and time so required not to count unless fumigation required on account of cargo carried, in which case cost and time to be for Charterers' account.

Clause 34

Vessel is guaranteed suitable for grab discharge. Deeptanks, tunnels and all other provisions within vessel's holds are to be adequately protected against damage by stevedores' grabs and bulldozers. Any damage caused to the vessel or her equipment by the stevedores will be duly notified by the master/owners within 24hrs of its occurrence (except hidden damages which to be reported immediately port) failing which Charterers not be responsible for such damage, repair same at their time and expense. Damage affecting vessels class or seaworthiness to be repaired at Charterers time and expense before vessels sailing from concerned port.

Owners guaranteed that vessel's holds are to be clear of any fittings /super structures such as cardeck, curtain plates, container fitting whatsoever, and it is suitable in every respect for Charterers to load intention cargo and vessel is suitable for grab/bulldozer discharge and discharge at anchorage. Bulldozers weight not to exceeds vessels permissible tank top strength.

Clause 35

Vessel to work day and night, if required by Charterers. Such work to include:

1. Opening and closing of hatches in preparation for loading and/or discharging including removing and replacing beams, as far as shore regulations permit
2. Supervision of loading and/or discharging
3. Maintaining power on board while loading and/or discharging and shifting ship between berths
4. Shifting ship during loading and/or discharging and shifting between berths
5. Docking, undocking, bunkering, ballasting and deballasting
6. Officers and crew to shape up the ship's hatches as much as possible subject to Master's discretion prior to arrival at loading and/or discharging ports, immediately commence loading and/or discharging operations.

Clause 36

It is understood that the Master will authorise Charterers or their Agents to sign Bill(s) of Lading on his behalf always strictly in conformity with Mate's receipts without prejudice to this Charter Party. Charterers shall indemnify and hold Owners harmless from all consequences arising out of their signing Bill(s) of Lading.

Owners and Charterers will jointly consider the use of Seaway Bill(s), if required by Charterers, in a



M/V "DIAMOND WARRIOR" - SOURCE LINK - CP DATED 01.08.2006 IN LAUSANNE

spirit of co-operation whereby Owners will not unreasonably withhold their consent to the use of Seaway Bill(s) The Seaway Bill(s) form should be approved by Owners in advance.

Clause 37

Vessel to be suitable for grab discharge and no cargo to be loaded in places inaccessible to grab discharge Charterers to have the privilege of using bulldozers in vessel's holds, provided weight does not exceed vessel's tanktop strength.

Clause 38

Hire: U.S.\$ 39,000 daily, including overtime.

Hire to be remitted to

Owners' Bank Details:

Hire and Bunkers to be paid to:

HSBC Bank PLC

93 Akti Miaouli, Piraeus

Swift address MIDLGRAA

For credit: Wintersea Maritime Corporation

Account Nr: 001-051887-071

Ref: M/V "Diamond Warrior" / Source link - C/P dated 01.08.2006

New York corresponding bank

HSBC Bank USA

New York

Swift address MRMDUS33

Clause 39

Payable each 15 days hire in advance to Owners' nominated bank in US dollars.

First hire and value of bunkers on delivery to be paid within 3 banking days after vessel's delivery. Charterers to deduct from last sufficient hire payments cost of redelivery bunkers. Should vessel remain on hire for longer than anticipated and extra bunkers are consumed Charterers are to reimburse to Owners cost of those bunkers. Any additional hire due to Owners to be paid every 2 days promptly to Owners.

Owners to advance any cash required by master and to pay for any Owners disbursement direct without involvement of Charterers.

Charterers not to pay for any Owners disbursement and neither to deduct any money from hire in this respect. Final account to be arranged by Charterers as promptly as possible latest within one month after redelivery and Charterers to procure supporting evidence for such deductions.

Clause 40

Referring to lines 60 and 61, where there is default of payment as specified, the Owners will notify the Charterers whereupon the Charterers shall make payment of the amount due without interest within three (3) days of notification from the Owners, failing which the Owners shall have the right to withdraw the vessel from the service of the Charterers without prejudice to any claim the Owners may otherwise have on the Charterers under this Charter.



M/V "DIAMOND WARRIOR" - SOURCE LINK - CP DATED 01.08.2006 IN LAUSANNEClause 41

Should the vessel be out back whilst on voyage by reason of an accident or breakdown, or in the event of loss of time either in port or at sea or deviation upon the course of the voyage caused by sickness of or accident to the crew or any person on board the vessel (other than supercargo travelling by request of the Charterers), the hire shall be suspended from the time of the inefficiency until the vessel is efficient in the same or equivalent position and voyage resumed therefrom and all extra expense directly incurred on board of the ship, including bunkers consumed during period of suspended hire, shall be for Owners' account.

Clause 42I.T.F. Clause

in the event of the vessel being subjected to boycott or being delayed or rendered in-operative by strikers, labour stoppages or any other difficulties arising from vessel's flag, ownership, crew or terms of employment of crew of the vessel or any other vessel under the same ownership or control, such time lost is to be considered off-hire and all expense directly resulting from such incidents to be for Owners' account. Owners to have a valid I.T.F. blue card or equivalent during the currency of this Charter Party. Loss of time as a result of non-compliance shall be considered as off-hire.

Clause 43

Should the vessel be seized or detained by any authority during the currency of this Charter Party, the Charterers liability for seizure or detention shall cease immediately from the time of her seizure or detention and all time so lost shall be treated as off-hire until the time of her release, unless such seizure or cargo carried. Any extra expense aboard ship directly incurred by and/or during above seizure or detention are to be for Owners' account, unless such seizure or detention is occasioned by any act or omission or default of the Charterers or their Agents or by reason of cargo carried.

If the vessel's off hire for 60(sixty) consecutive days by reason of above seizure or detention, unless such seizure or detention is occasioned by any act or omission or default of the Charterers or their Agents or by reason of cargo carried, Charterers have the option of cancelling the balance of this Charter Party, vessel being free of cargo.

Clause 44Permitted Cargoes

Charterers have no option to carry the cargo on deck. Cargo to be loaded, stowed, trimmed, secured and discharged at Charterers' risk and expenses. Vessel to be always left in a seaworthy trim to the master's satisfaction during her sailing and/or shifting between all berths and ports.

Cargo always to be loaded, stowed, trimmed, carried and discharged in accordance with local and international regulations and recommendations and in full compliance with IMO conditions / regulations / limits and recommendations.

All dangerous, explosive, inflammable, corrosive, injurious cargoes, goods/commodities as listed in the latest IMDG code and /or any subsequent modifications/ amendments thereof, no other cargo except iron ore including concentrates, lumps, fines, pellets, but always excluding DRI / DRIP / HBI / SPONGE IRON.